

SEC. 125. PENGUIN MISSILE PROGRAM.

- (1) MULTIYEAR PROCUREMENT AUTHORITY.—The Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for the procurement of not more than 106 Penguin missile systems.
- (2) LIMITATION ON TOTAL COST.—The total amount obligated or expended for procurement of Penguin missile systems under contracts under subsection (a) may not exceed \$84,800,000.

Subtitle D—Air Force Programs

SEC. 131. REPEAL OF LIMITATION ON PROCUREMENT OF F-15E AIRCRAFT.

Section 134 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189: 103 Stat. 1383) is repealed.

SEC. 132. MODIFICATION TO MULTIYEAR PROCUREMENT AUTHORITY FOR C-17 AIRCRAFT PROGRAM.

- (3) MULTIYEAR CONTRACTS AUTHORIZED.—The Secretary of the Air Force may enter into one or more multiyear contracts for the procurement of C-17 aircraft (including the section 2703 contract entered into before the date of the enactment of this Act under the authority of section 2703 of the Supplemental Appropriations Act of 1996 (title II of Public Law 104-134)). The total number of aircraft contracted to be procured under such multiyear contracts may not exceed 80. Any such contract shall be entered into in accordance with section 2306b of title 10, United States Code (and subject to such modifications as may be authorized by law in the maximum period for such contracts specified in subsection (k) of such section).
- (4) REQUIREMENT TO NEGOTIATE OPTION TO CONVERT EXISTING CONTRACT TO SIX PROGRAM YEARS.—The Secretary of the Air Force shall negotiate with the prime contractor for the C-17 aircraft program so as to achieve a contract option for the United States under the section 2703 contract to convert the multiyear procurement period under that contract to a period of six program years based upon the level of funding for that program for fiscal year 1997.
- (5) CONTRACT PERIOD.—A contract entered into after the date of the enactment of this Act on a multiyear basis under the authority of subsection (a) may (notwithstanding section 2306b(k) of title 10, United States Code) be for a period of six program years.
- (6) SECTION 2703 CONTRACT DEFINED.—For purposes of this section, the term "section 2703 contract" means the contract entered into by the Secretary of the Air Force on May 31, 1996, with

the prime contractor for the C-17 aircraft program under the authority of section 2703 of the Supplemental Appropriations Act of 1996 (title II of Public Law 104-134) providing for a multiyear procurement of C-17 aircraft over seven program years with an option for the Secretary to convert that period to six program years.